

**PX 435**

**From:** Brad Garlinghouse <[REDACTED]@ripple.com>  
**To:** [REDACTED]  
**CC:** Patrick Griffin; [REDACTED]  
**Sent:** 10/11/2016 7:23:38 PM  
**Subject:** Re: Revised term sheet draft

Hey [REDACTED]

Sorry for the slow followup... We had our board meeting today which has kept me a bit busy the last few days!

Good to hear that the improved deal terms with FI's work for you.

To be clear, we currently have company OKRs that includes a key milestone of listing XRP on two digital asset exchanges by the end of Q4.

We have a great relationship with Bitstamp, stemming back to 2013 and have been developing close relations with Unocoin - both loyal customers of [REDACTED]. To hit this milestone and support Bitstamp and Unocoin listing XRP, we'd like to propose a start date of October 17, 2016 for implementing XRP into [REDACTED] API.

We expect the opportunity for financial institutions to begin in Q1 of 2017, during the next phase of our pilot projects.

We are committed to getting a deal done ASAP and can provide whatever resources needed to accomplish this.

Let us know if these dates are possible.

Best,  
Brad

On Thu, Oct 6, 2016 at 8:18 AM, [REDACTED] wrote:  
Hi Brad -

Thanks for the email. We'd very much like to strike a partnership as well. To lay everything out it is about like this:

First off, thank you very much for considering how [REDACTED] can participate with the FI's on the Ripple Network. This is a great opportunity and we'd like to be able to do it. We don't know how to quantify what you've suggested so far, but this is good for all of us.

Second, my big problem right now is that [REDACTED] resources are exhausted right now, which is making my team unable to commit to firm dates to start and make this happen. This has been holding me back on replying. We're hiring as fast as we can and hope to be out of this crunch in a few weeks.

Overall, I really do hope we can find a partnership together. I know you need some commitment from us. One thing that would help is understanding where your hard deadlines are. Perhaps we could strike a deal with a couple of things:

- a) I do want to understand the FI participants a little better and would like to be able to prevent a strong Ripple [REDACTED] product to them.
- b) Agree to a partnership but the start date would be a little farther out.

[REDACTED]

On Tue, Oct 4, 2016 at 4:46 PM, Brad Garlinghouse <[REDACTED]@ripple.com> wrote:  
(reducing distro a bit)

Hey [REDACTED] -

Hope you had a great weekend. I wanted to follow up on the below ... we're excited about a partnership and (particularly given the improved deal terms) feel like it can be a good thing for everyone. Anything pending on your side that warrants discussion?

Best,  
Brad

On Fri, Sep 30, 2016 at 6:22 PM, [REDACTED] wrote:

Thanks, [REDACTED]  
[REDACTED]

On Sep 30, 2016 6:20 PM, [REDACTED] wrote:

Thanks [REDACTED] Sorry I didn't fully reply to this yet. I was out of town this week, but the team has been discussing. I Will be in touch over the weekend or Monday at latest.

On Wednesday, September 28, 2016, [REDACTED] wrote:

As a follow up, we had one more item on the deal economics side. Out of the upfront implementation cost that Ripple will be sponsoring for [REDACTED] we are willing to leave [REDACTED]

Let us know if the bank-focused marketing push and recoupment reduction are sufficient for you.

Thanks,  
[REDACTED]

On Wed, Sep 28, 2016 at 3:23 PM, [REDACTED] wrote:

Thank you for the feedback and kind words. Brad also passed along additional feedback after his meeting with [REDACTED]

As you know, our goal is to create a multi-sig wallet solution with [REDACTED] in Q4 for our exchange and bank customers. On the exchange side, we are happy to walk you through status updates for various exchanges, or maintain a shared document showing exchange commitments as they are secured. Bitstamp and Unocoin will be the immediate opportunities in Q4, and there is a larger pipeline behind that which we can speak about.

On the bank side, we are wrapping up our XRP settlement project with 12 banks, and the conversation is now turning to custody/wallet solutions and other aspects of implementing XRP in production payment flows at banks.

We are interested in pointing to [REDACTED] as the go-to enterprise wallet solution for these banks and other FI's

that want to use XRP for interbank settlement, and this is something that our Marketing & Communications team is on board with as well. To this extent, our Marketing team has agreed to the following items regarding the [REDACTED] XRP solution:

- Featured article on the XRP Portal and in the XRP Newsletter - targeting banks/FI's, institutional investors, and those interested in XRP
- Article on Ripple Insights blog and in Ripple Insights Newsletter- targeting banks/FI's and industry influencers
- Inclusion in XRP pitch decks - making it a consistent part of the XRP value proposition for banks/FI's and institutional investors
- Promotion of featured article via Ripple's social media channels (Twitter, Facebook, LinkedIn)

Our thinking is that this push and spotlight will contribute to driving enterprise FI and bank interest (particularly among Ripple's existing bank partners) in [REDACTED] XRP solution—but also in [REDACTED] overall offering.

We are glad that we could agree to remove implementation cost risk to [REDACTED] after our initial term sheet negotiations, and now we want to demonstrate Ripple's commitment to [REDACTED] for generating upside through bank and FI adoption.

Let us know if this is sufficient to get a deal done and implement in Q4.

Thanks,  
[REDACTED]

On Wed, Sep 21, 2016 at 2:31 PM, [REDACTED] wrote:  
Hi [REDACTED]

Sorry for the delay getting back to you. [REDACTED] and I have spoken about the current state of the partnership, and understand where we're at.

By the way - congratulations on the huge raise - that's a huge accomplishment! It makes us even more optimistic about Ripple.

Over the last week, we've been exploring with our customers commitments for launching XRP trading on their systems. While we have found interest, the commitments are not yet there. I believe these are coming, and we're going to re-engage in the next month or two.

Without 2016 commitments to deploy XRP trading, it is difficult for us to engage immediately. We're all anxious to get started, but we have limited resources.

So the sticking point for us is timing of implementation - I know you want this to start soon, and we'd want to be a good partner once we engage.

On Tue, Sep 20, 2016 at 7:25 AM, [REDACTED] wrote:  
Hi [REDACTED] any update on timing for this?

Thanks,  
[REDACTED]

On Wednesday, September 14, 2016, [REDACTED] wrote:  
Hi [REDACTED]



I'm still working on it :-). With [REDACTED] out this week, I've been a bit swamped. Very sorry for the delay.

[REDACTED]

On Tue, Sep 13, 2016 at 3:24 PM, [REDACTED] wrote:

[REDACTED] hope you had a good weekend. Do you have a sense of timing on the term sheet return?

Thanks,  
[REDACTED]

On Wed, Sep 7, 2016 at 5:35 PM, [REDACTED] wrote:  
Ok, these dial-ins work also:

[REDACTED]

On Wed, Sep 7, 2016 at 5:34 PM, [REDACTED] wrote:  
trying to get on the line - sorry - having trouble getting bluejeans....

On Wed, Sep 7, 2016 at 2:33 PM, [REDACTED] wrote:  
Hi [REDACTED] we're on the line. Let us know if you have issues dialing in.

On Wed, Sep 7, 2016 at 9:58 AM, [REDACTED] wrote:  
Great - chat with you at 2:30

On Tue, Sep 6, 2016 at 5:23 PM, [REDACTED] wrote:  
[REDACTED] could you chat at 2:30 pm PT tomorrow?

Thanks,  
[REDACTED]

On Tue, Sep 6, 2016 at 3:10 PM, [REDACTED] wrote:  
[REDACTED] - do you have time to chat later this afternoon or tomorrow morning?

Thanks  
[REDACTED]

On Wed, Aug 31, 2016 at 3:42 PM, [REDACTED] wrote:  
Hi [REDACTED]

Thanks so much for putting this together.

What we've been considering from our end is whether we want to take this approach or just build it direct from [REDACTED]. As you know, we could do a full rollout of multi-signature ripple services, deploy it through the [REDACTED] network of exchanges, and then retain [REDACTED] of associated revenues. We believe in the future growth of Ripple, and under this plan we're giving up [REDACTED] of potentially multi-million dollar revenues in exchange for [REDACTED] which we have to pay back anyway.

We will get back to you shortly.

Thanks  
[REDACTED]

On Wed, Aug 31, 2016 at 12:00 PM, [REDACTED] wrote:  
Hi [REDACTED]

Hope all is well on your end. Just wanted to check in and see where you guys are with the updated term sheet. It would be great to have an initial term sheet signed by end of week if possible.

Best,  
[REDACTED]

On Fri, Aug 26, 2016 at 4:57 PM, [REDACTED] wrote:  
Thanks, guys!

On Fri, Aug 26, 2016 at 1:51 PM, [REDACTED] wrote:  
Thanks. We're reviewing. Have a great weekend.

On Thu, Aug 25, 2016 at 9:22 PM, [REDACTED] wrote:  
[REDACTED]

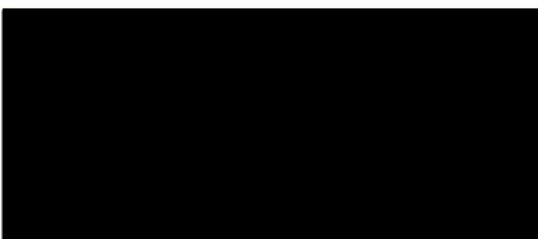
I attached a revised draft of the term sheet with the latest financials based on the outcome of our conversation today. Please take a look and let us know your feedback.

A couple of additional notes:

- I referenced the Scope of Work in the term sheet. The Scope of Work included the Web Interface, but I removed that for now per our earlier discussions. We think there is value in that down the road, but we would like to focus on the Base API support for now.
- Regarding the monthly revenue guarantee after Ripple's recoupment, the term sheet said [REDACTED] month, but you referenced [REDACTED] month in the call today as well. Could you confirm if the [REDACTED] month for Amazon server costs should be included?

We're excited to get the term sheet to the finish line and kick things off.

Best,  
[REDACTED]



[REDACTED]

Product Manager  
RCL / XRP | Ripple

[REDACTED]

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[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

